

RECEIVED

DEC 16 1998

FCC MAIL ROOM

Federal Communications Commission

FCC 98-322

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

Intelligent Networks

)
)
)

CC Docket No. 91-346

ORDER

Adopted: December 2, 1998

Released: December 4, 1998

By the Commission:

1. In this Order, we terminate the above-captioned proceeding concerning third-party access to the local exchange carriers' (LECs') intelligent networks. We conclude that most of the issues raised in this proceeding have been addressed by the *Local Competition Order*¹ or are being considered in the *Computer III Further Notice*,² which is the Commission's current

¹ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, *First Report and Order*, 11 FCC Rcd 15499 (1996) (*Local Competition Order*), *aff'd in part and vacated in part sub nom. Competitive Telecommunications Ass'n v. FCC*, 117 F.3d 1068 (8th Cir. 1997), *vacated in part on rehearing*, *Iowa Utils. Bd. v. FCC*, 120 F.3d 753, *further vacated in part sub nom. California Public Utilities Comm'n v. FCC*, 124 F.3d 734, *writ of mandamus issued sub nom. Iowa Utilities Bd. v. FCC*, No. 96-3321 (8th Cir. Jan. 22, 1998), *petition for cert. granted (collectively, Iowa Utilities Bd.)*, *Order on Reconsideration*, 11 FCC Rcd 13042 (1996) (*Local Competition First Reconsideration Order*), *Second Order on Reconsideration*, 11 FCC Rcd 19738 (1996) (*Local Competition Second Reconsideration Order*), *Third Order on Reconsideration and Further Notice of Proposed Rulemaking*, 12 FCC Rcd 12453 (1997) (*Local Competition Third Reconsideration Order*), *further recons. pending*.

² *Computer III Further Remand Proceeding: Bell Operating Company Provision of Enhanced Services*, CC Docket No. 95-20, and *1998 Biennial Regulatory Review -- Review of Computer II and ONA Safeguards and Requirements*, CC Docket No. 98-10, *Further Notice of Proposed Rulemaking*, FCC 98-8, released January 30, 1998.

review of its *Open Network Architecture* (ONA)³ and *Computer III*⁴ requirements.

2. The Commission initiated the *Intelligent Networks* proceeding in 1991 to consider whether the Commission should apply ONA requirements for the unbundling of network functionalities⁵ to the LECs' deployment of intelligent network technology.⁶ In 1993, the Commission adopted a Notice of Proposed Rulemaking that proposed requiring all Tier 1 LECs⁷ that deploy advanced intelligent networks (AIN) to provide third parties with mediated access to those capabilities.⁸ The Commission specifically proposed to require that Tier 1 LECs provide third parties with access to their service management systems⁹ for the creation

³ *Filing and Review of Open Network Architecture Plans*, CC Docket No. 88-2 Phase I, 4 FCC Rcd 1 (1988) (*BOC ONA Order*), recon., 5 FCC Rcd 3084 (1990) (*BOC ONA Reconsideration Order*); 5 FCC Rcd 3103 (1990) (*BOC ONA Amendment Order*); erratum, 5 FCC Rcd 4045 (1990), *pets. for review denied*, *California v. FCC*, 4 F.3d 1505 (9th Cir. 1993), recon., 8 FCC Rcd 97 (1993) (*BOC ONA Amendment Reconsideration Order*); 6 FCC Rcd 7646 (1991) (*BOC ONA Further Amendment Order*); 8 FCC Rcd 2606 (1993) (*BOC ONA Second Further Amendment Order*), *pet. for review denied*, *California v. FCC*, 4 F.3d 1505 (9th Cir. 1993). *Filing and Review of Open Network Architecture Plans*, CC Docket No. 88-2, Phase II, 4 FCC Rcd 2449 (1988) (*AT&T ONA Plan Order*).

⁴ *Amendment of Section 64.702 of the Commission's Rules and Regulations (Computer III)*, Report and Order, CC Docket No. 85-229, Phase I, 104 FCC 2d 958 (1986) (*Phase I Order*), recon., 2 FCC Rcd 3035 (1987) (*Phase I Recon. Order*), further recon., 3 FCC Rcd 1135 (1988) (*Phase I Further Recon. Order*), second further recon., 4 FCC Rcd 5927 (1989) (*Phase I Second Further Recon. Order*), *Phase I Order and Phase I Recon. Order vacated sub nom. California v. FCC*, 905 F.2d 1217 (9th Cir. 1990) (*California I*); Phase II, 2 FCC Rcd 3072 (1987) (*Phase II Order*), recon., 3 FCC Rcd 1150 (1988) (*Phase II Recon. Order*), further recon., 4 FCC Rcd 5927 (1989) (*Phase II Further Recon. Order*), *Phase II Order vacated*, *California I*, 905 F.2d 1217 (9th Cir. 1990); *Computer III Remand Proceedings*, CC Docket No. 90-368, 5 FCC Rcd 7719 (1990) (*ONA Remand Order*), recon., 7 FCC Rcd 909 (1992), *pets. for review denied*, *California v. FCC*, 4 F.3d 1505 (9th Cir. 1993) (*California II*); *Computer III Remand Proceedings: Bell Operating Company Safeguards and Tier 1 Local Exchange Company Safeguards*, CC Docket No. 90-623, 6 FCC Rcd 7571 (1991) (*BOC Safeguards Order*), recon. dismissed in part, Order, CC Docket Nos. 90-623 and 92-256, 11 FCC Rcd 16617 (1996); *BOC Safeguards Order vacated in part and remanded*, *California v. FCC*, 39 F.3d 919 (9th Cir. 1994) (*California III*), *cert denied*, 115 S.Ct. 1427 (1995).

⁵ ONA generally refers to the regulatory framework established by the Commission to enable third parties to purchase unbundled network functionalities from the Bell Operating Companies (BOCs) and GTE for use in the provision of competing enhanced services. See generally, *BOC ONA Order*, 4 FCC Rcd 1 (1988).

⁶ *Intelligent Networks*, CC Docket No. 91-346, Notice of Inquiry, 6 FCC Rcd 7256, 7256 (1991).

⁷ At the time of the Notice, Tier 1 LECs were defined as those local exchange carriers with annual revenues from regulated telecommunications operations of \$100 million or more. *Intelligent Networks*, CC Docket No. 91-346, Notice of Proposed Rulemaking, 8 FCC Rcd 6813, n.2 (1993) (*Notice*).

⁸ Notice, 8 FCC Rcd 6813.

⁹ Section 51.319 (e)(3)(i) of the Commission's rules defines a service management system as "a computer database or system not part of the public switched network that, among other things: (A) Interconnects to the service control point and sends to that service control point the information and call processing instructions

and deployment of AIN-based services.¹⁰

3. In February 1996, the Telecommunications Act of 1996 (1996 Act) became law, bringing sweeping changes to regulation of the telecommunications industry.¹¹ Among other things, section 251 of the Act requires that incumbent LECs: (1) provide interconnection with requesting telecommunications carriers; (2) provide requesting telecommunications carriers with access to unbundled network elements; (3) offer retail services for resale at wholesale rates; and (4) provide physical collocation necessary for interconnection or access to unbundled network elements at the premises of the incumbent LEC.¹²

4. In August 1996, the Commission adopted regulations that implement the local competition provisions of the 1996 Act. With respect to AIN, the Commission determined that it was technically feasible for incumbent LECs to provide requesting telecommunication carriers with unbundled access to both the service creation environment¹³ and service management system, and access to the service control point¹⁴ for the purpose of interconnecting with a requesting carrier's switch.¹⁵ The Commission also concluded that there was not enough evidence to determine the technical feasibility of interconnecting third-party call-related databases to the incumbent LEC's signaling system.¹⁶

5. On January 30, 1998, the Commission released the *Computer III Further Notice*, which proposes to revise the safeguards under which the Bell Operating Companies provide information services in light of the requirements of the 1996 Act. Among other things, the

needed for a network switch to process and complete a telephone call; and (B) Provides telecommunications carriers with the capability of entering and storing data regarding the processing and completing of a telephone call." 47 C.F.R. § 51.319(e)(3)(A).

¹⁰ Notice, 8 FCC Rcd 6813.

¹¹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, codified at 47 U.S.C. §§ 151 *et seq.* All subsequent citations to the 1996 Act are to the 1996 Act as codified in the United States Code. We refer to the Communications Act of 1934 as amended by the 1996 Act as the "Communications Act" or the "Act."

¹² 47 U.S.C. § 251(c)(2), (3), (4) & (6).

¹³ Section 51.5 of the Commission's rules defines a service creation environment as "a computer containing generic call processing software that can be programmed to create new advanced intelligent network call processing services." 47 C.F.R. § 51.5.

¹⁴ Section 51.5 of the Commission's rules defines a service control point as "a computer database in the public switched network which contains information and call processing instructions needed to process and complete a telephone call." 47 C.F.R. § 51.5.

¹⁵ *Local Competition Order* at 15742-44 and 15747-48, paras. 486-489, 495-496, 47 C.F.R. § 51.319(e).

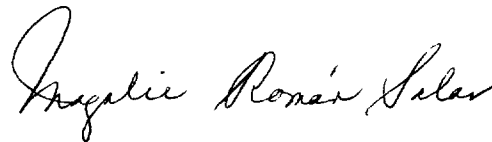
¹⁶ *Id.* at 15750-51, paras. 501-502.

Commission sought comment on whether the public interest would be served by Commission action, pursuant to our general rulemaking authority, to extend the availability of unbundling similar to that provided for in section 251 of the Act to information service providers. These entities do not have access to unbundled network elements under section 251 of the Act because they are not telecommunications carriers.¹⁷

6. As described above, most of the proposals in this proceeding concerning access to AIN by telecommunications carriers were adopted by the Commission in the *Local Competition Order*.¹⁸ Most of the issues in this proceeding concerning access to AIN by information service providers are now under consideration in the *Computer III Further Notice*. Based on the information currently available to us, it does not appear that there is a need to address the few remaining issues in this proceeding at present. If a need for consideration of these issues should arise in the future, we will institute appropriate proceedings.

7. Accordingly, IT IS ORDERED that the above captioned proceeding, *In the Matter of Intelligent Networks*, CC Docket No. 91-346, IS hereby TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION



Magalie Roman Salas
Secretary

¹⁷ *Computer III Further Notice* at para. 96.

¹⁸ As indicated above, the Commission concluded in the *Local Competition Order* that there was not sufficient evidence to make a determination concerning the technical feasibility of interconnection of third party call-related databases to the incumbent LECs' signaling systems. See note 15 and accompanying text, *supra*. In addition, the *Local Competition Order* did not address issues raised in the *intelligent Networks* proceeding concerning direct access to the service control point and national standards for AIN access. 11 FCC Rcd 15499 at 15751, n.1171.